

MINUTES AUGUST 8, 2016

REGULAR MEETING 7:00pm

Mayor Pardue and all Council Members were present except for Council Member Green.

Mayor Pardue called the meeting to order and led the invocation followed by the Pledge of Allegiance.

PUBLIC COMMENT PERIOD³

Jerry Brown addressed the Board concerning his culvert issue.

Margie Harrell addressed the Board concerning a citizens bill from a major water leak.

Barbara Gilpin gave the Board Library updates.

Bridget Henderson addressed the Board wanting accounting updates from the Historical Society.

APPROVAL OF MINUTES

Council Member Moore made the motion to adopt the minutes for June 27, 2016, and July 25, 2016, special meeting and Council Member Wall seconded the motion, passed unanimous 4-0.

CONTINUED DISCUSSION – WATER RATES

Council Member Wall made a motion to table the water rates discussion until the next Board meeting September 12, 2016, so a public hearing could be announced and Council Member Wolfe seconded the motion, passed unanimous 4-0.

NOTES:

- The Town of Jonesville water system has approximately 1,300 customers.
- The Town's current rate structure is a \$20.00 base fee which covers the first 2,000 gallons per month usage and each additional 1,000 gallons is \$6.50.
- About 600 customers (46% of total customers) use less than 2,000 gallons per month. These customers generate about 25% of total water revenues monthly at present rate structure.

- About 550 customers (42% of total customers) use between 2,000 and 5,000 gallons per month. This class of customer generates about 31% of total water revenues monthly at present rate structure.
- About 95 customers (7% of total customers) use between 5,000 and 50,000 gallons per month. This class of customer generates about 29% of total water revenues monthly at present rate structure.
- 10 to 15 customers (about 1% of total customers) use more than 50,000 gallons per month. This class of customer generates about 15% of total water revenues monthly at present rate structure.
- The base fee currently collects about \$26,000 per month and excludes about \$21,500 per month from the volumetric charge.
- The water system needs to collect on average about \$65,000 per month to reach self-sufficiency and sustainability as directed by the NC Local Government Commission.

RATE OPTIONS:

- A.) Increase base fee (maintain base usage at 2,000 gallons) by \$2.00 per month and increase volumetric rate by \$1.00 to \$7.50 per 1,000
- B.) Maintain volumetric rate at \$6.50 per 1,000, eliminate base usage included in base fee (all usage is billed at volumetric rate) - base fee could be reduced to about \$15.00
- C.) Reduce base usage to 1,000 gallons per month and base fee to \$15.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. The volumetric rate would need to increase by about \$1.85 per 1,000 gallons from \$6.50 to \$8.35 per 1,000.

- D.) Reduce base usage to 1,000 gallons per month and maintain base fee at \$20.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. The volumetric rate would need to increase by about \$1.35 per 1,000 gallons from \$6.50 to \$7.85 per 1,000.

- E.) Increase base usage to 4,000 gallons per month and increase base fee to \$40.00 per month. Keep volumetric rate at \$6.50 per 1,000.

CONTINUED DISCUSSION – OLD TOWN HALL

Town staff has checked with the previous low bidder and confirmed the bid of \$23,000 to demolish the old Town Hall building is still good. Prior to actual demolition, the Town will need to complete the disposal of any remaining personal property, possibly by way of a public auction, and the relocation of all Town records being stored within the building. The building will also need to be surveyed for asbestos and/or other hazardous substances with any such disposed of appropriately prior to demolition.

Council Member Wolfe made a motion to delay the discussion for the town hall being demolished until a quote for asbestos and hazardous findings can be presented with the demolishing quote of \$23,000 at the September 12, 2016, Board meeting and Council Member Moore seconded the motion, passed unanimous 4-0.

AUTHORIZATION TO OFFER SUPPLEMENTAL DENTAL BENEFIT

The Town offers basic dental coverage for all its full-time employees. The insurance pool will allow individual employees the option to opt into more comprehensive coverage for an increased fee. A number of our employees have requested the okay to do this and are willing to pay the extra fee (\$20.00 per month) for the coverage. In order to offer this optional benefit to our employees, the Council needs to adopt a motion to that effect.

Council Member Moore made a motion to approve the supplemental dental benefit to full-time employees at no cost to the town and Council Member Wall seconded the motion, passed unanimous 4-0.

ZACCHAEUS LEGAL SERVICES CONTRACT

For the past several years the Town has retained Zacchaeus Legal Services to perform tax foreclosures. Some years ago Yadkin County also retained Zacchaeus for this purpose. The County's participation has allowed us to split the legal cost of mutual foreclosures and has been beneficial to all parties.

Zacchaeus is requesting an extension of the contract until August 1, 2020, with a fee for Town only actions of \$800 per foreclosure action until January 31, 2018, and \$850 for the remainder of the term of the contract.

The fee for joint representation with the Town and County in the case of a mutual foreclosure would be \$950 per foreclosure action until January 31, 2018, and \$1,000 for the remainder of the term of the contract. These fees would be split evenly between the Town and County.

Zacchaeus has performed reliably thus far and staff recommends that the Town continue utilizing their services.

Council Member Moore made a motion to approve the extension of the contract with Zacchaeus Legal Services until August 1, 2020, and Council Member Wolfe seconded the motion, passed unanimous 4-0.

RESOLUTION DECLARING SURPLUS PROPERTY

The Town Police Department has two vehicles that are out of service and may be declared surplus and sold. Council will find such resolution behind Tab 4

Council Member Wolfe made a motion to approve the resolution declaring 2001 Ford Crown and 2006 Ford Crown cars surplus property and Council Member Moore seconded the motion, passed unanimous 4-0.

DEPARTMENTAL REPORTS

The departmental reports are included in your agenda packet. The Council will need to make a motion to approve the monthly financial report.

Council Member Wall made the motion to approve June and July financial reports and Council Member Moore seconded the motion, passed unanimous 4-0.

Council Member Wolfe commented that Ronnie Money will be awarded Labor Day weekend for cleaning two streets in Jonesville and the hard work is much appreciated.

With no pending business to discuss Council Member Wolfe made the motion to adjourn and Council Member, Darnell seconded the motion and passed unanimous 4-0.

Gene Pardue, Mayor

Lynn Trivette, CMC, NCCMC